Committee (IJBCC), (jointly sponsored by FICCI and ASSOCIATE, which are private bodies), matter relating to cooperation between SMEs of the two countries has been discussed.

(c) Japan stands fifth in the list of countries from which investments have been approved during the year 1991 to 1996 (up to September, 1996). Japan has invested in diverse areas and has set up industries for manufacture of automobiles, light commercial vehicles, automotive components, steel, petro-chemicals, electronics, telecommunications, glass, engineering goods, consumer products etc.

Financial Problems faced by New Sugar Factories in Maharashtra

1774. PROF. RAM KAPSE: Will the Minister of FOOD be pleased to state:

(a) whether 27 new sugar factories, sanctioned in the VIIth Plan for the State of Maharashtra faced financial problems due to a large difference in the normative and actual cost of the project;

(b) if so, the details thereof;

(c) whether Government propose to revise the normative cost of the projects in respect of sugar factories, sanctioned under the VIIIth Plan, keeping in view the cost escalation factor, if so, the details thereof;

(d) whether Government have received any request from the Maharashtra Government to accept the revised normative cost;

(e) if so, the action taken in the matter; and

(f) if not, the reasons therefor?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) to (f) The Government of Maharashtra has requested the Union Government to revise the Normative cost of the projects to Rs. 40 crores in respect of the sugar factories sanctioned in the VIIth Plan The Government has not prescribed any normative cost, though the financial institutions while assessing the projects have been going by a certain standard taking into account the financing pattern and the prospect of return on capital. The financial institutions are generally concerned with the debt-equity ratio and the financial viability of the project. Since the State Governments contribute a large part of equity of the Cooperatives and also have to guarantee the loans, the question of availability of total finance for a particular unit has to be resolved between them, the cooperative and the financial institutions.

Impact of increase in the price of Metallurgical grade Coal on Steel production

1775. DR. JAGANNATH MISHRA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that rise in the price of metalurgical grades of coal has increased the cost of steel production by more than 20% during the last six months; and

(b) if so, the steps Government have taken to ease the problem of steel industry which is facing dumping problem also by overseas steel producers who have stepped up their export to India consequent upon the decision of the Government of India for lowering the import duty on steel?

THE MINISTER OF STEEL & MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) No, Sir.

(b) There is provision in the Customs Tariff Act, 1975 and the rules framed there under to investigate cases of dumping and levy an additional customs duty if it is established that such dumping causes material injury to the domestic industry.